

# **EXHIBIT A**

**UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF TEXAS  
SAN ANTONIO DIVISION**

**CANYON FURNITURE COMPANY  
PLAINTIFF,**

**v.**

**DANIEL RUEDA SANCHEZ, JULIO  
ALFONSO RODRIGUEZ VALDEZ,  
FURNITURE INDUSTRIES SERVICES,  
INC., & DISENOS INNOVADORES DE  
BAJA CALIFORNIA, S. de R.L. de C.V.  
DEFENDANTS.**

§  
§  
§  
§  
§  
§  
§  
§  
§  
§  
§

**CIVIL ACTION NO. 5:18-cv-00753**

**DEMAND FOR JURY TRIAL**

**DECLARATION OF DANIEL RUEDA SANCHEZ**

1. My name is Daniel Rueda. I am over the age of 18. I have personal knowledge of and am competent to testify as to the matters set forth below and to the matters set forth in any attachments to this Declaration.

2. I am a named defendant in this case.

3. Defendants, Daniel Rueda Sanchez, Julio Alfonso Rodriguez Valdez (together, "Individual Defendants") along with Furniture Industries Services, Inc., and Disenos Innovadores de Baja California, S. de R.L. de C.V. (together, "Corporate Defendants" and collectively "Defendants"), have been accused by Canyon Furniture Company of the following:

1. **COUNT ONE**

Unfair Competition - Statutory Misappropriation of Trade Secrets  
Texas Uniform Trade Secrets Act, Tex. Civ. Prac. & Rem. Code §§ 134A.001, et seq.  
(Against All Defendants)

2. **COUNT TWO**

Unfair Competition - Common Law Misappropriation  
(Against All Defendants)

3. **COUNT THREE**

Breach of Fiduciary Duty  
(Against Individual Defendants)

4. COUNT FOUR  
Breach of Confidential Relationship  
(Against Rueda and Rodriguez)

5. COUNT FIVE  
Breach of Duty of Loyalty  
(Against Individual Defendants)

6. Defendants exercised their rights under the provisions of 28 U.S.C. §§ 1441, *et seq.*, to remove this action from the State District Court of Bexar County, Texas, in which said action was pending under the assigned style *Canyon Furniture Company v. Daniel Rueda Sanchez, Julio Alfonso Rodriguez Valdez (together, "Individual Defendants"), Furniture Industries Services, Inc., and Disenos Innovadores de Baja California, S. de R.L. de C.V.*, Civ. No. 2018-cv-12648.

7. Plaintiff filed the above referenced action on July 10, 2018.

8. Defendants have not been served.

9. The United States District Court for the Western District of Texas is the district court for the district within which the state court action was pending.

10. Plaintiff seeks in this action claims against Defendants for in excess of \$1,000,000.00.

11. Plaintiff seeks in this action claims for Unfair Competition - Statutory Misappropriation of Trade Secrets Texas Uniform Trade Secrets Act, Tex. Civ. Prac. & Rem. Code §§ 134A.001, *et seq.* against Defendants.

12. Plaintiff seeks in this action claims against Defendants for "Monetary relief in excess of \$1,000,000.00."

13. The sole Plaintiff is a Florida for-profit corporation whose principal place of business is in the State of Florida.

14. At the time of filing of this action, all other times and at the present, Daniel Rueda Sanchez ("Rueda") was and is an individual and citizen of United States of America and resident of California and resides at 819 Chervil Ct., Chula Vista, CA 91910.

15. At the time of filing of this action, all other times and at the present, Julio Alfonso Rodriguez Valdez ("Rodriguez") was and is an individual and citizen of Mexico and resident of Tijuana, Baja California, Mexico and resides at Circuito Loma Dorada #19525, Fraccionamiento Loma Dorada, Tijuana, BC, Mexico.

16. At the time of filing of this action, all other times and at the present, Furniture Industries Services, Inc. ("FIS") was and is a California corporation having its principal place of business at 6051 Business Center CT 4-273 San Diego Ca 92154

17. At the time of filing of this action, all other times and at the present, Disenos Innovadores de Baja California, S. de R.L. de C.V. ("Disenos") was and is a Mexican corporation located at Av. Roberto de La Madrid 1500-B Tijuana Baja California Norte 22170, Mexico, with its principal place of business in Tijuana, Baja California, Mexico.

18. Baja California is a state in Mexico and not part of the United States.

19. The basis for jurisdiction stated in the complaint is that "each of the Defendants has engaged in efforts to disclose or use Canyon's trade secrets to seek profit from sales of the Canyon copied furniture in Texas. This Court also has personal jurisdiction over Defendants because the Defendants have placed their copied products into the stream of commerce with the intention that they will be sold in Texas. Specifically, the Individual Defendants have (1) caused Disenos to manufacture and/or distribute furniture and (2) caused FIS to sell the furniture to retailers that operate their stores in Texas, such as Bob Mills Furniture stores located throughout Texas, including in San Antonio." (¶ 12.)

20. The Plaintiff's bunk beds were designed and manufactured in Mexico by Montecitos Manufacturing S De R.L. De C.V., a Mexican Corporation, located at Calle Primera # 7550, La Cienega C.P. 22120 Tijuana B.C., Mexico.

21. The Plaintiffs bunk beds were designed and manufactured in Mexico by Montecitos Manufacturing S De R.L. De C.V are not protected by any United States Copyright or Patent.

22. The Plaintiffs children's bunk beds were not manufactured by Plaintiff Canyon Furniture Company.

23. Defendant Rodriguez was formerly employed by Montecitos Manufacturing S De R.L. De C.V., in Mexico and not by Plaintiff in the United States.

24. Defendant Rodriguez relationship with Montecitos Manufacturing S De R.L. De C.V., is governed by Mexican Law.

25. Defendant Rueda was formerly employed by Retail Management Services Company in Mexico, and not by Plaintiff in the United States.

26. Montecitos Manufacturing S De R.L. De C.V. and Retail Management Services Company are separate companies from Plaintiff.

27. Much of the business of Montecitos Manufacturing S De R.L. De C.V. is conducted in Spanish and many of its records are in Spanish.

28. Much of the business of Disenos is conducted in Spanish and many of its records are in Spanish.

29. The bunk beds that are associated with the Defendants were designed and manufactured in Mexico by Disenos' plant at Av. Roberto de La Madrid 1500-B Tijuana, Baja California Norte 22170, Mexico.

30. The Defendants have never had any offices or places of business in the state of Texas.

31. The Defendants have never had any employees, agents or representatives in the state of Texas.

32. The Defendants have never owned any property in the state of Texas.

33. The Defendants have never had title to any property in the state of Texas.

34. The Defendants have never resided or operated in the state of Texas.

35. The Defendants have never designed any products in the state of Texas.

36. The Defendants have never manufactured any products in the state of Texas.

37. The individual Defendants have never had any employees, agents or representatives residing or operating the state of Texas.

38. The corporate Defendants have never had any officers, directors, shareholders, employees, agents or representatives residing or operating in the state of Texas.

39. Defendants have no control of where its bunk beds are sold in the United States.

40. The Defendants have never availed themselves of the laws of the state of Texas.

41. The Defendants Rodriguez and Rueda are not officers, directors, employees or shareholders of the Corporate Defendants FIS and Disenos.

42. The Plaintiffs claims are based on acts that occurred in Mexico and not the United States or Texas.

43. The Defendants' only connection to the United States is that the bunk beds were manufactured in Mexico by Disenos and sold in California by FIS.

44. FIS sold Disenos' bunk beds to Bob Mill Furniture Co., an Oklahoma limited liability company with its principal place of business at 3600 West Reno, Oklahoma City, OK 73107 which beds were shipped by Disenos FBO Tijuana, Mexico.

45. Plaintiffs claimed trade secrets were not revealed by the sales of the Disenos' bunk beds into the United States by FIS.

46. Defendants do not know of anything protectable in the bunk beds of Plaintiff and Defendants.

47. Defendants have never misappropriated, revealed or used any of Plaintiffs trade secrets or confidential information in Texas.

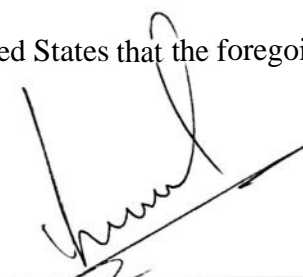
48. Defendants have never unfairly competed with or breached any obligation to Plaintiff in Texas.

49. Plaintiff has initiated a legal proceeding that is pending in Mexico against Defendant Rodriguez.

50. The alleged misappropriation, revealing or use of Plaintiffs trade secrets or confidential information and breaches by Defendants occurred in Mexico and are governed by Mexican law.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

Executed on July 29, 2018.

  
\_\_\_\_\_  
Daniel Rueda Sanchez